

## Article - Local Government

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§19–103.

(a) (1) Any charter provision of Anne Arundel County or Prince George's County that requires or has the effect of requiring the county to pledge unlimited taxing powers, as to either the rate or amount, for the repayment of county debt may not be given effect if any later adopted charter provision is inconsistent with the pledge.

(2) Paragraph (1) of this subsection applies to all bonds issued by Anne Arundel County or Prince George's County before June 30, 1981.

(b) To secure the payment of the principal of and interest on debt, Anne Arundel County or Prince George's County, by charter provision or legislative act, may:

(1) create, pledged for payment of principal of and interest on debt:

(i) a sinking fund;

(ii) a debt service fund;

(iii) a debt service reserve fund; or

(iv) any other trust fund, including a fund held by a corporate trustee;

(2) if sufficient money for the timely payment of principal of and interest on debt is not available or if there is a default in payment, provide that the first received general fund revenues of the county shall be applied to payment of principal of and interest on debt in an amount sufficient to:

(i) make a payment when due; or

(ii) cure the default; and

(3) pledge any county revenue to pay principal of and interest on the debt.

(c) A charter provision of Anne Arundel County or Prince George's County may not impair or be construed to impair the obligation of the county to impose and

collect taxes to provide for the payment when due of principal of and interest on bonds of the county, or on bonds guaranteed by the county, if:

- (1) the county has pledged unlimited taxing powers to the bonds; and
- (2) the bonds are outstanding on the effective date of the charter provision.

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